

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 11

**BUZZ ELECTRONICS, INC.,**

Case No.:

Debtor.

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**AFFIRMATION PURSUANT TO LOCAL BANKRUPTCY RULE 1007-3**

**HESHY BIEGELEISEN**, affirms the following:

1. I am the President of **BUZZ ELECTRONICS, INC.** (the "Debtor"). I am fully familiar with the facts set forth herein, and am authorized to make this Affirmation on behalf of the Debtor.

2. The Debtor is a specialty electronics and appliance retailer located at **1402 Coney Island Avenue, Brooklyn, New York**. The Debtor operates a ten thousand square foot store in the neighborhood of Flatbush, Brooklyn. The Debtor also operates an online retailer at <http://www.thebuzzelectronics.com>.

3. No pre-petition committee was organized prior to the Order for relief.

4. The Secured Creditors of the Debtor are as follows:

Capital One N.A.  
265 Broadhollow Road  
P.O. Box 8913  
Melville, New York 11747

Liberty Merchant Funding Inc  
1274 49 Street, Suite 408  
Brooklyn, NY 11219

5. The names and addresses of the twenty largest unsecured creditors, excluding insiders, appears on Schedule "A" to this Affidavit.

6. To the best of my knowledge, the only suits or proceedings pending against the Petitioner are as follows:

Meyer Corporation, U.S., v. The Buzz Electronics, Inc.; Yehuda Goldman A.K.A. David Weiss; and Does Two through Twenty – Superior Court of the State of California – County of Solano – Vallejo Branch. Case No. FCS028529

Hanover Insurance Group v. Buzz Electronics – Supreme Court of the State of New York – Kings County – Index No. 16358/07

Marilyn Schwartz and Abraham Schwartz v. Buzz Electronics, Inc. – Supreme Court of the State of New York – Kings County – Index No. 500292/09

7. The Debtor's principal assets are located at 1402 Coney Island Avenue, Brooklyn, New York.

8. The purpose of filing this petition is to preserve the assets of the Debtor for the benefit of the creditors and equity holders, and to preserve priorities of creditors.

9. The estimated amount of payroll due to the Debtor's employees, excluding officers, for a period of thirty days following the filing of the petition is \$40,000.00.

10. The estimated operating expenses of the Debtor for the next thirty days are as set forth below:

<u>EXPENSES</u>	<u>AMOUNT</u>
Con Edison	\$2,000.00
National Grid	\$780.00
Telephone	\$600.00
UPS	\$850.00
Salaries	\$20,000.00
Advertising	\$1,400.00
Delta Waste Removal	\$190.00
Elevator Service	\$150.00
Rent	\$10,000.00
Insurance	\$1,000.00
<b><u>TOTAL:</u></b>	<b><u>\$36,970.00</u></b>

11. The Debtor's financial difficulties were caused by, amongst other things, the general economic climate, a temporary cash flow deficiency and the costs of litigation described in Paragraph 6 above.

  
HESHY BIEGELEISEN - PRESIDENT